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BEFORE THE ARIZONA CORPORATIO. RECEIVED

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<u>COMMISSIONERS</u> 3

KRISTIN K. MANDER COLA FRANCI GARY PIERCE

PAUL NEWMAN CORP COMMISSION SANDRA D. KENNELLY CONTROL

AND WASTEWATER SERVICE

IN THE MATTER OF THE APPLICATION OF

DOUBLE DIAMOND UTILITIES, INC. FOR A CERTIFICATE OF CONVENIENCE AND

NECESSITY TO PROVIDE WATER SERVICE

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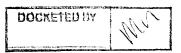
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Arizona Corporation Commission DOCKETED

APR 3 0 2010



Docket No. WS-20543A-07-0435

MOTION FOR EXTENSION OF **COMPLIANCE DATES**

Double Diamond Utilities, Inc. ("DDU"), through undersigned counsel, hereby moves for the extension of three compliance dates set forth in Decision No. 70352 (May 16, 2008). This request arises from the significant downturn in the economy and the delay in the construction of the Hoover Dam Bridge that has caused a delay in the timetable for the development covered by DDU's CC&N.

The three compliance items that require extension of the upcoming May 16, 2010 compliance date are: (i) filing of the Approval to Construct for the water system for Phase 1 of the initial phase of the Ranch at White Hills project; (ii) filing of the General Permits for Phase1 of the initial phase of the wastewater plant for the Ranch at White Hills and (iii) filing of the Aquifer Protection Permit for the wastewater division.

DDU requests that the deadline for filing these compliance items be extended from May 16, 2010 to December 31, 2012.

Α. Background

In Decision No. 70352, DDU received a CC&N to provide water and wastewater service to the initial phase of The Ranch at White Hills ("White Hills"), a large master planned community located between Kingman and Las Vegas. As set forth in the Decision, DDU is a developerONE ARIZONA CENTER
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PHOENIX, ARIZONA 85004
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owned utility that will ultimately serve the entire White Hills development. The initial phase of constitutes approximately 10% of the overall development.

The Decision set forth numerous compliance requirements that were due at various times between the issuance of the Decision and May 16, 2010 (that is, two years after the date of the Decision). DDU has met many of those compliance requirements, including filing its rate tariff, its curtailment tariff, its backflow prevention tariff and its Water Conservation Plan.¹

As the Commission is well aware, since the issuance of the CC&N in May 2008, the economy has suffered a precipitous downturn and the finance and credit markets have significantly tightened. The White Hills development had already been delayed due to delays in the construction of the Hoover Dam bypass bridge. Although the Mardians, the developer of White Hills, still fully intend to proceed with White Hills, common sense and good judgment dictate that the timeline for the development be pushed back.

В. Extension of the May 16, 2010 Compliance Dates.

The three compliance items at issue require extensive and expensive engineering design to prepare proposed system designs to ADEQ for approval of the necessary permits to begin construction. Given the economic downturn and the delayed development of the Ranch at White Hills, DDU does not believe it is prudent to incur such expenses at this time. Moreover, the overall plan of the development may be modified to meet the new demands of the recovering markets and the emerging renewable energy development in the vicinity of the Ranch at White Hills. Any such changes could affect the location of large backbone plant, water production and wastewater treatment facilities. Premature engineering would result in increased and unnecessary costs.

Development will come to this area; however, given the recent economy and the delays in the Hoover Dam bridge, it will take time. Therefore, DDU requests additional time to meet the

DDU received an extension of two compliance dates in Decision No. 70947 (April 7, 2009), which extended the date to procure a \$500,000 performance bond or irrevocable sight draft letter of credit and to identify a Certified Operator until December 31, 2011.

| 1 | compliance requirements related to the engineering of the substantial backbone plant for the initial | |
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| 2 | phase of the development. | |
| 3 | WHEREFORE, DDU requests that compliance dates for the following three compliance | |
| 4 | items in Decision No. 70352 be extended until December 31, 2012: | |
| 5 | 1. Filing of the Approval to Construct for the water system for Phase 1 of the initial | |
| 6 | phase of the Ranch at White Hills project; | |
| 7 | 2. Filing of the General Permits for Phase1 of the initial phase of the wastewater plant | |
| 8 | for the Ranch at White Hills; and | |
| 9 | 3. Filing of the Aquifer Protection Permit for the wastewater division. | |
| 10 | RESPECTFULLY submitted this 20 ¹⁷ day of April 2010. | |
| 11 | ROSHKA DEWULF & PATTEN, PLC | |
| 12 | | |
| 13 | By Welt | |
| 14 | Michael W. Patten | |
| 15 | One Arizona Center 400 East Van Buren Street, Suite 800 | |
| 16 | Phoenix, Arizona 85004 | |
| 17 | Attorney for Double Diamond Utilities, Inc. | |
| 18 | Original and 13 copies of the foregoing filed this 30 th day of April 2010, with: | |
| 19 | | |
| 20 | Docket Control Arizona Corporation Commission | |
| 21 | 1200 West Washington Phoenix, Arizona 85007 | |
| 22 | Copy of the foregoing hand-delivered/mailed this 30 th day of April 2010 to: | |
| 23 | | |
| 24 | Yvette Kinsey Administrative Law Judge | |
| 25 | Hearing Division Arizona Corporation Commission 1200 West Washington Street Phoenix, Arizona 85007 | |
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